

**Joint Commission on Technology and Science
I-Gov Citizen Advisory Committee
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Dell Customer Research

- 95% of all new PCs replace existing PCs
- 88% of customers have excess computer equipment
- 68% of customers are unaware of disposal services
- \$450 – average cost of storing a PC for one year
- 6% per month – depreciation of a PC
- 52% of customers uncertain how to address environmental liabilities



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TYPES OF PRODUCTS

- Semiconductors
- Resistors
- Disk Drives
- Modems
- Laptops
- Capacitors
- Connectors
- Monitors
- Memory/CPU's
- Keyboards
- Relays
- Diodes
- Power Supplies
- Test Equipment
- Peripherals
- IC's
- LED's
- Motherboards
- Finished Goods
- Notebooks
- Transistors
- Switches
- Cables
- Sub-Assemblies
- Mice



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Program Benefits - IBM

- Receive Market Value for unwanted IT assets
- Full Service offering including dock to dock shipping services
- Available 24 hours, 7 days per week
- Real-time quoting on products being returned (quote good for 30 days)



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Asset Recovery Services - Gateway

- End of Life Disposal Services in accordance with local, state and EPA Guidelines.
- Settlement Reporting
- Assurances that data is fully cleared on devices.

Who

- Dell
- IBM
- HP
- Gateway
 - Nextel
 - Verizon
 - EMC2
 - MARS
- And On and On and On



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Reasons Why – Aberdeen Group, Inc.

- Cost/value — If stored IT equipment has any resale or recycling value, it depreciates between 6% and 10% per month. If there is no current value, the equipment — which will someday need to be disposed — constitutes a pure storage cost in the meantime. Either way, the sooner that equipment is dispatched, the greater the financial gain.
- Data security — PC and server hard drives contain sensitive data (e.g., medical records, financial data, citizen or employee data). Publicized cases abound of such data casually falling into the hands of strangers in the secondary market. Thus, the recent case of the state of Kentucky's ill-fated discarding of hard drives containing records of thousands of patients diagnosed with AIDS and sexually transmitted diseases, though sensational, is not unusual. This example raises the issue of governmental regulations such as HIPAA and the specter of corporate espionage and intellectual property put at risk. Effective sanitization of drives is labor intensive, but it greatly reduces a foreseeable business risk.
- Environmental concerns — Obsolete electronic devices, or “e-waste,” all contain materials that are not welcome in dumpsters or landfills. E-waste materials that are increasingly coming under local, state, and federal regulations. The ability to track and comply with this changing



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Recommendations

- Legislation – Not Required
- VITA and DGS – Investigating
- Existing procurement looks at acquisition not disposition.
- Public Policy should consider life-cycle cost to include disposition.

Recommendations

Procurement contracts should be modified.

- All of the companies Virginia procures from offer asset recovery services and are happy to pick up their competitors units to replace with their own.